

**I CLAIM:**

1. A method of operating a reward points system in conjunction with a credit card network, the credit card network comprising at least one issuing bank for issuing a credit card to a user and at least one acquiring bank for collecting payment from the issuing bank on behalf of a merchant and paying the merchant, the method comprising the steps of:
  - a. a user executing a purchase transaction with a merchant by presenting a credit card for payment of the transaction;
  - b. the merchant requesting an acquiring bank to obtain approval of said purchase transaction from an issuing bank; and
  - c. the merchant instructing a central reward server to add reward points to a merchant reward point account associated with the merchant and the user.
2. The method of claim 1 further comprising the step of redeeming reward points from the merchant reward point account by the steps of
  - the user executing a purchase transaction with the merchant;
  - the user utilizing reward points from the merchant reward point account for the purchase transaction;
  - the merchant instructing the central reward server to decrement the merchant reward point account associated with the user by the amount of points used in the transaction.
3. The method of claim 1 further comprising the steps of

establishing a reward point exchange account on the credit card network;

selecting reward points from each of a plurality of merchant reward point accounts for exchange into the reward point exchange account; and

aggregating the selected reward points into the reward point exchange account.

4. The method of claim 3 further comprising the step of redeeming aggregated reward points from the reward point exchange account by the steps of

the user executing a purchase transaction with the merchant;

the user utilizing aggregated reward points from the reward point exchange account for the purchase transaction;

the reward point exchange account being reduced by the number of aggregated reward points utilized for the purchase transaction.

5. The method of claim 3 comprising the further steps of:

establishing a cluster of merchants, each of which have merchant reward point accounts established with an acquiring bank;

allowing aggregation of points from each of the merchants in the cluster into the reward point exchange account; and

disallowing aggregation of points from a merchant not a member of the cluster.

6. The method of claim 5 comprising the further step of allowing for redemption of aggregated reward points only with merchants that are members of the cluster.

7. The method of claim 3 wherein the reward point exchange account is administered by the credit card network operator.

5

8. The method of claim 3 wherein the reward point exchange account is administered by an issuing bank.

10

9. The method of claim 3 wherein the reward point exchange account is administered by an acquiring bank.

10. The method of claim 3 wherein reward points from an independent reward point system may be aggregated into the central exchange reward point account.

15

11. A method of operating a reward points system in conjunction with a credit card network, the credit card network comprising at least one issuing bank for issuing a credit card to a user and at least one acquiring bank for collecting payment from the issuing bank on behalf of a merchant and paying the merchant, the method comprising the steps of:

20

a. a user executing a purchase transaction with a merchant by presenting a credit card for payment of the transaction;

25

b. the merchant requesting an acquiring bank to obtain approval of said purchase transaction from an issuing bank; and

c. the merchant instructing the acquiring bank to add reward points to a merchant reward point account associated with the merchant and the user.

30

12. The method of claim 11 further comprising the step of redeeming reward points from the merchant reward point account by the steps of

the user executing a purchase transaction with

the merchant;

the user utilizing reward points from the merchant reward point account for the purchase transaction;

the merchant instructing the acquiring bank to decrement the merchant reward point account associated with the user by the amount of points used in the transaction.

13. The method of claim 11 further comprising the steps of establishing a reward point exchange account at a central server computer;

selecting reward points from each of a plurality of merchant reward point accounts for exchange into the reward point exchange account at the central server computer; and

aggregating the selected reward points into the reward point exchange account.

14. The method of claim 13 further comprising the step of redeeming aggregated reward points from the reward point exchange account by the steps of

the user executing a purchase transaction with the merchant;

the user utilizing aggregated reward points from the reward point exchange account for the purchase transaction;

the reward point exchange account being reduced by the number of aggregated reward points utilized for the purchase transaction.

- 5           15. The method of claim 13 comprising the further steps of:  
              establishing a cluster of merchants, each of which  
              have merchant reward point accounts established with an  
              acquiring bank;  
              allowing aggregation of points from each of the  
10           merchants in the cluster into the reward point exchange  
              account; and  
              disallowing aggregation of points from a merchant  
              not a member of the cluster.
- 15           16. The method of claim 15 comprising the further step of  
              allowing for redemption of aggregated reward points  
              only with merchants that are members of the cluster.
- 20           17. The method of claim 13 wherein the reward point  
              exchange account is administered by the credit card  
              network operator.
18. The method of claim 13 wherein the reward point  
              exchange account is administered by an issuing bank.
- 25           19. The method of claim 13 wherein the reward point  
              exchange account is administered by an acquiring bank.
- 30           20. The method of claim 13 wherein reward points from  
              independent reward point system may be aggregated into  
              the central exchange reward point account.